

5 June 2013

Australian Securities Exchange Limited  
Exchange Centre  
Level 4  
20 Bridge Street  
Sydney NSW 2000

Dear Sir / Madam

**INSTITUTIONAL INVESTOR TOUR PRESENTATION**

Please find attached presentation slides for an investor tour to be held on 6 June 2013.

Yours sincerely



**Paul Freedman**  
**COMPANY SECRETARY**

# MELBOURNE PROJECTS TOUR



6 June 2013

Cedar  Woods

# Agenda

- 1. Company overview**
- 2. WA market conditions**
- 3. WA projects update**
- 4. VIC market conditions**
- 5. VIC projects update**

# Investment highlights

- ▶ Proven track record of consistent earnings growth and meeting targets
- ▶ Strategically located and diverse residential portfolio
  - Urban and regional growth areas in VIC and WA
  - Apartments, integrated housing, mixed use and large master planned communities
  - Close to transport infrastructure and other amenities
- ▶ Strong balance sheet and prudent gearing
- ▶ Capacity to fund acquisitions
- ▶ Attractive, fully-franked dividend yield
- ▶ Experienced and proven management team

# Cedar Woods' strategy

## Property Development Expertise

Core competency: industry-leading design, delivery and marketing of development projects

## Focus on Project Pipeline

Acquire and develop land holdings offering medium-to-long term development prospects with potential to add value through rezoning and approvals, enabling consistent delivery of earnings growth



## Portfolio Diversity

Strategically located and diverse residential portfolio in urban and regional growth areas in VIC and WA, offering a spectrum of dwelling products and price points to consumers

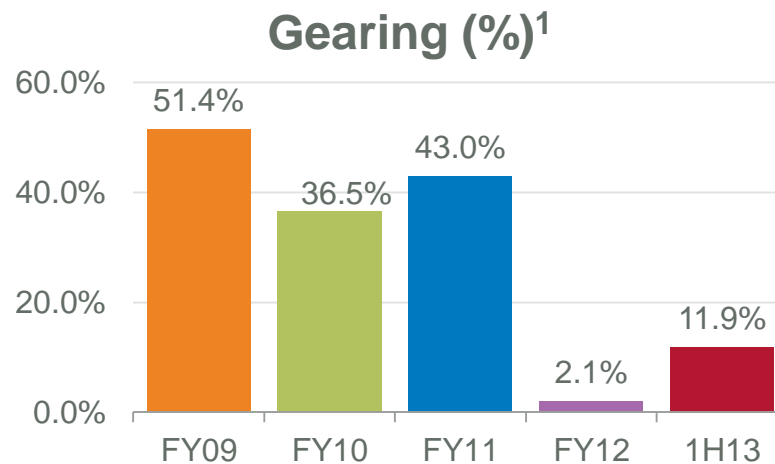
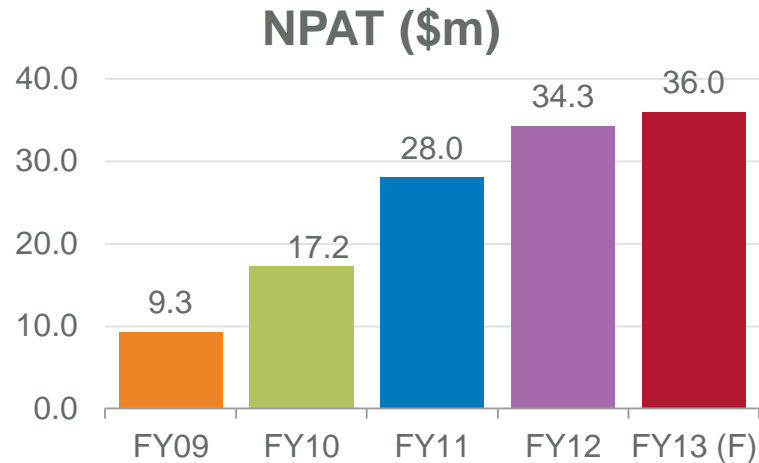
## Invest in Strategic Opportunities

Use joint ventures, syndicates and co-development opportunities to leverage CWP's skill base, diversify revenue streams and manage capital

# Strong property portfolio and mature land bank



# Track record of growth and balance sheet strength



<sup>1</sup> Gearing defined as net bank debt / book equity

# 1H 2013 results & outlook

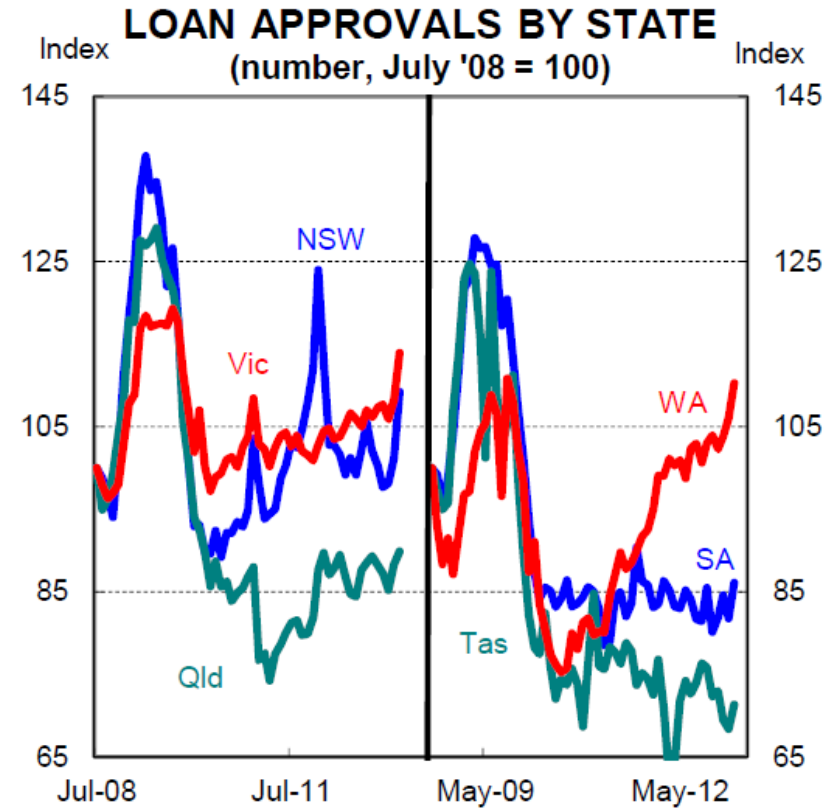
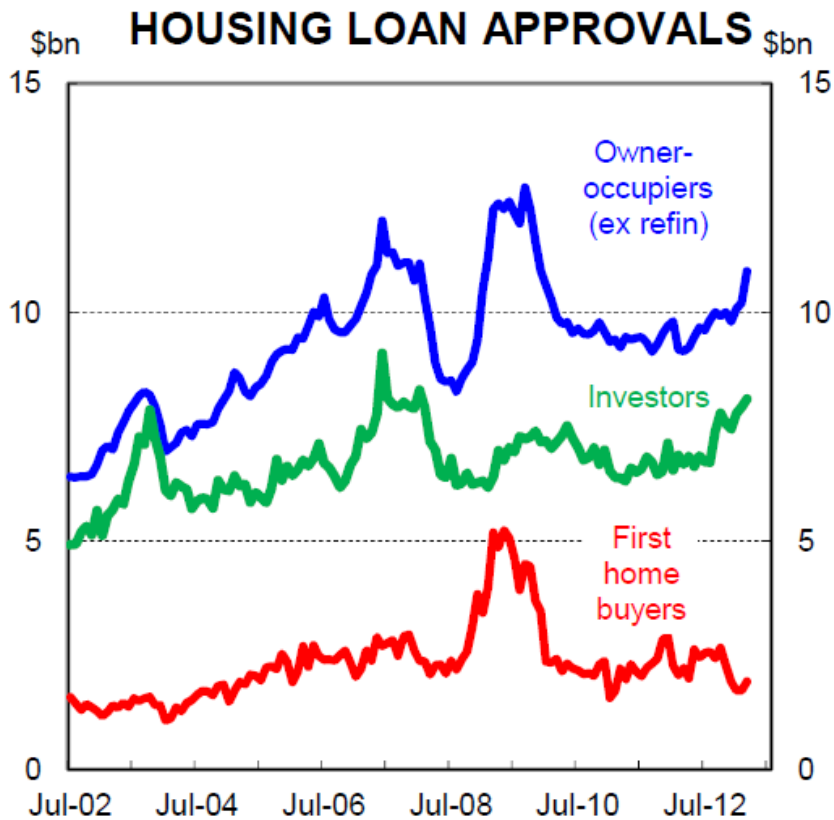
- ▶ Significant increase in 1H13 NPAT, 65% higher than previous corresponding period
- ▶ Continued strength of residential property sales in 2H13, driven by interest rate cuts, limited housing supply and strong population growth
- ▶ Cedar Woods maintains a positive outlook, bolstered by continued demand for the company's projects strategically located in WA and VIC's growth regions
- ▶ Confirm net profit guidance for FY13 at \$36m versus FY12 result of \$34.25m
- ▶ Over \$100m pre-sales currently in place to settle in FY14



# WA Market Conditions

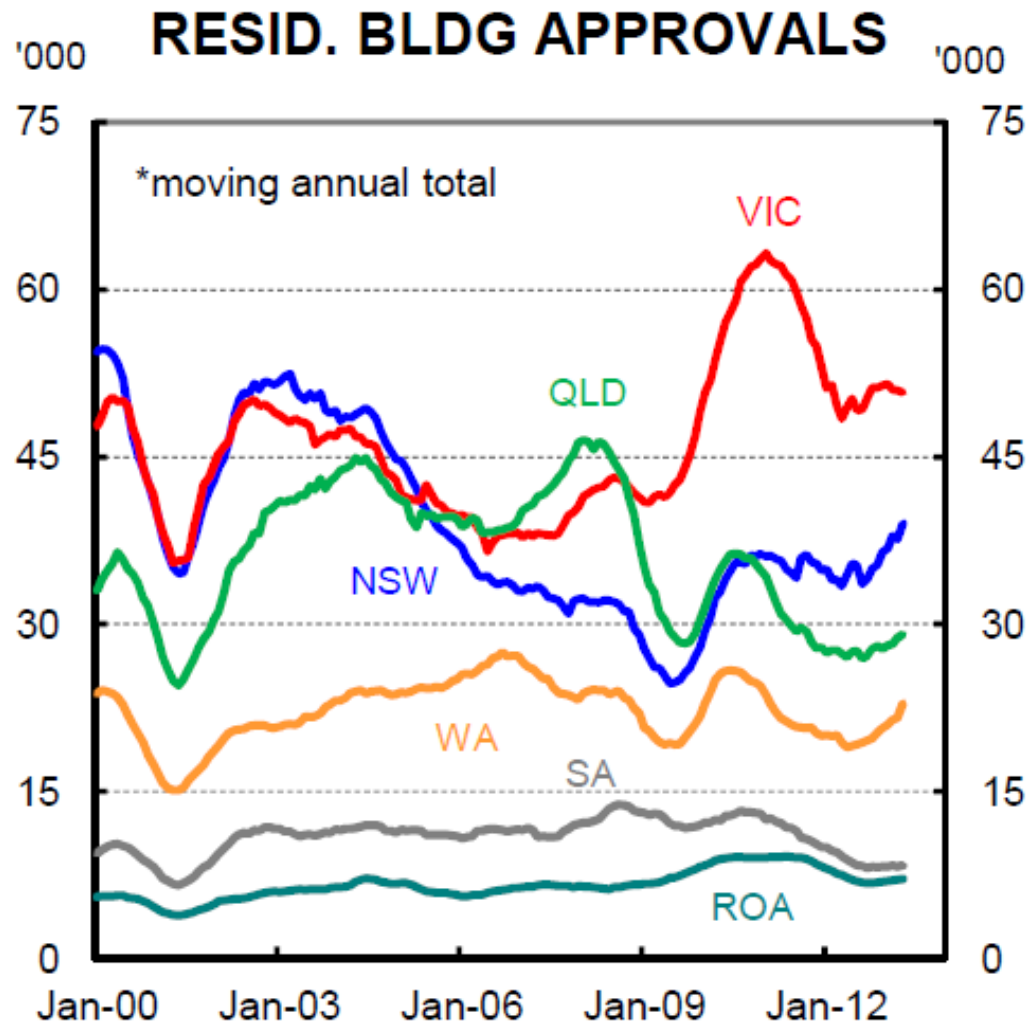


# Housing loan approvals



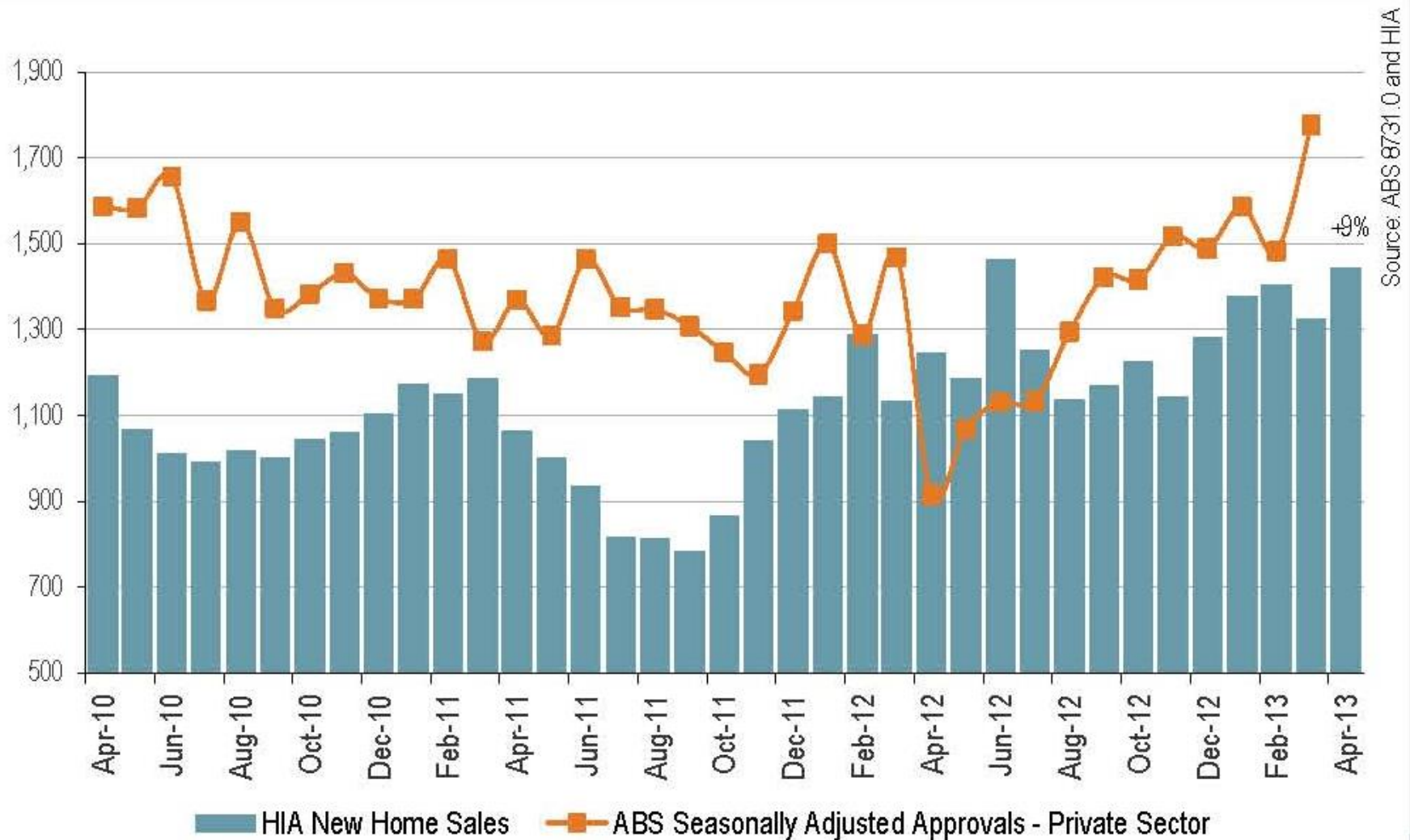
Source: CBA

# Residential building approvals



Source: CBA

# Private new house sales – WA (seasonally adjusted)



# WA Projects Update



# WA Projects Update

- ▶ Strong demand across a number of projects, with improved sales volumes also driven by new project launches in FY13
- ▶ Strong first-half sales volumes has continued into 2H13, driven by demand from first home buyers. Price growth has been modest.
- ▶ First-time home buyers have returned to the market, helped by strong employment, interest rate cuts and a shortage of rental properties

# Recent acquisition – Byford



- ▶ 32ha, 40km from CBD
- ▶ 350 lots

# Recent acquisition – Brabham



- ▶ 40ha, 22km from CBD
- ▶ 350 lots



# VIC Projects Update



# Victorian projects update

- ▶ Despite challenging market conditions, Cedar Woods' projects continue to perform well
- ▶ Strong demand for well located projects
- ▶ We are on track with all projects for FY13
- ▶ We are in a good presales position for FY14
- ▶ Williams Landing Town Centre will start to generate earnings in FY14
- ▶ Construction well underway on the Masters Home Improvement Store, due for completion in 1HFY14
- ▶ Solid demographic & economic fundamentals will support a stronger residential & commercial market in Victoria

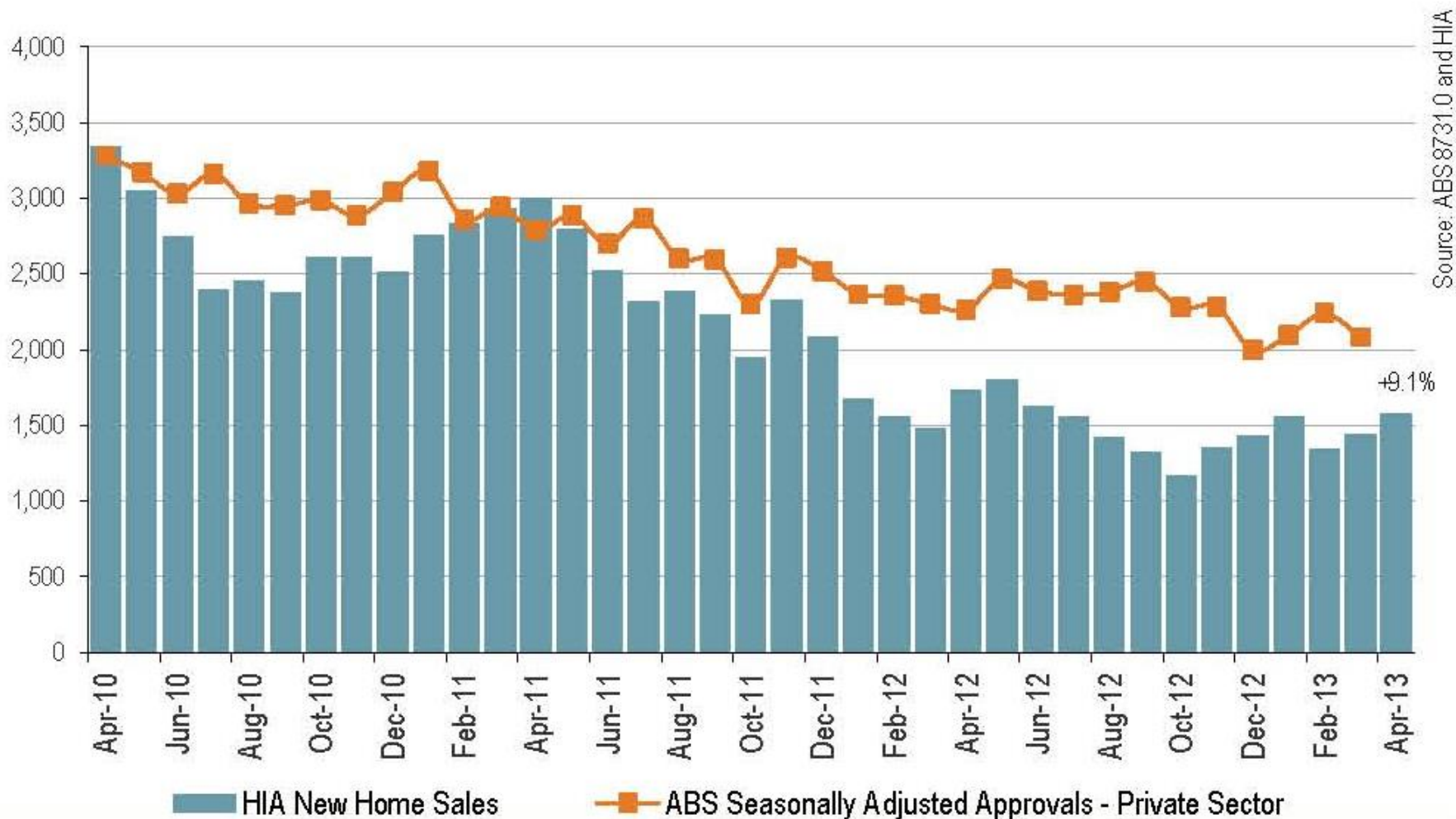
# VIC market conditions

- ▶ Auction clearance rates for established housing have been good - 70%+ . Positivity in the market is mainly from the established sector
- ▶ Different sectors/locations are experiencing different conditions:
  - Apartments – supply becoming an issue. Well located & designed projects are still performing satisfactorily
  - Infill housing – moderate conditions with projects generally performing well
  - Land: Generally improved conditions 2013 versus 2012. Pricing bottomed out in most areas. 1<sup>st</sup> home buyer interest expected to improve post 1/7/13

# VIC market conditions cont'd

- ▶ Most demand is from Owner Occupiers. Investor numbers increasing
- ▶ First home buyers numbers still down – around 20% versus 25-30%.
- ▶ Interest rates have been reducing & are at low levels
- ▶ Government's stimulus – State Government has improved incentives to 1<sup>st</sup> home buyers through grants & discounts to stamp duty (From 1 July 2013)
- ▶ Sentiment – improving but still cautious
- ▶ Employment – job losses still an issue for several sectors of the economy
- ▶ Affordability – improved affordability from 2010 levels

# Private new house sales – VIC (seasonally adjusted)



# St Albans – status update

Rezoning:	Expected to be complete by October 2013 (acquisition assumption: March 2014)	
Expected yield:	250+ (acquisition assumption: 215)	
Dwelling types:	Houses, duplexes, townhouses & apartments	
St Albans station upgrade:	Further funding allocated in recent State Budget. Construction expected to start within 12 months & should serve as a boost for the project & area	
Key dates:	Settlement:	March 2014
	Vacant possession:	June 2014
	Permit Approval:	October 2014
	Civil works start:	July 2015
	First settlements:	September 2016

# St Albans – aerial photo



**St Albans  
Train station**

**Main Road Retail**

**Victoria University**

# St Albans – draft concept plan





# Carlingford – status update

Total Yield:	Approx 635 lots
Planning:	100 lots (triangle site) still to be rezoned
Total Settled:	447 lots
Av. Price / Size:	\$220,880 / 465sqm
FY13 settlements:	On target
FY14 Activity:	Planning & delivery of 2 more stages. Construction of major road infrastructure. Planning for triangle site

# Carlingford – masterplan



# Carlingford



# Carlingford



# Carlingford



# Realm Camberwell – status update

Total Yield:	78 lots
Sales Status:	77 released, 66 unconditional sales, 6 conditional sales, several “holds”
Av. Price / Size:	\$1.07m / 3 bedroom home
Marketing Update:	Last stage (9) is being released now
Update:	Display home completed Strong presales Stage 1 on track and settling June 2013 Stage 2 – 6 under construction Stage 7 – 9 to commence 2 <sup>nd</sup> half 2013 Project completion early FY15

# Realm Camberwell – aerial photo



# Realm Camberwell - masterplan



## MASTERPLAN

Cedar Woods has taken care to ensure that this plan have been prepared from all currently available information. Note that allotment dimensions, easements, landscape treatments, final road layout and public utility service infrastructure locations are subject to change without notice (conditional on satisfactory authority approve). Prepared February 2012.



# Realm Camberwell - display home



# Realm Camberwell - display home



# Realm Camberwell - construction well advanced



# Banbury Village – status update

Total Yield:	400+
Dwelling Types:	Houses, Townhouses & Apartments
Av. Price / Size:	\$560,000 for a 3 bedroom townhouse
Update:	<ul style="list-style-type: none"><li>- Strong presales for FY14</li><li>- Good interest received for recent releases</li><li>- Several stages under construction – all on program</li><li>- Recent finalist for National PCA Awards for ‘Best Residential Development’ and ‘Best Heritage Development’</li></ul>

# Banbury Village – concept plan



# Banbury Village



# Banbury Village



# Williams Landing – status update

Total Yield:	2,500+
Total Sold:	Approx 1000 (900 settled)
Pricing:	384sqm - \$279,000 448sqm - \$299,000 Pricing increased for the last release with good sales.
Update	<ul style="list-style-type: none"><li>- Strong sales in past 2 months</li><li>- The new marketing/sales suite is open</li><li>- Most builders in the new Display Village are now open</li><li>- Freeway interchange &amp; train station are complete</li><li>- Numerous stages under construction</li><li>- Good presales in place for FY14</li></ul>



# Williams Landing – Masterplan

## MASTER PLAN

-  CONSERVATION RESERVE
-  PARK
-  TRAIN STATION
-  TENNIS COURT
-  SPORTS OVAL
-  PLAYGROUND
  
-  ADDISON NEIGHBOURHOOD
-  ASHCROFT NEIGHBOURHOOD
-  ELMSTEAD NEIGHBOURHOOD
-  KINGWELL NEIGHBOURHOOD
-  DISPLAY VILLAGE



# Williams Landing



# Williams Landing Town Centre – aerial image



# Williams Landing Town Centre update

- ▶ Major regional serving, mixed use development of 50ha
- ▶ There is strong enquiry now that infrastructure is complete
- ▶ Promotional activity is getting underway
- ▶ The strategy is to secure buyers and tenants for selected parcels from FY14 onwards
- ▶ Proposals include education facilities, offices, medical centre, fitness centre and hotel accommodation
- ▶ Plans are being progressed for several medium density residential sites



# WLTC – Masters Home Improvement

Masters construction progressing slightly ahead of schedule and expected to open at the end of 2013.



# Williams Landing Shopping Centre

- ▶ The centre is to be delivered in stages with supermarket in 1<sup>st</sup> stage and a discount department store in 2<sup>nd</sup> stage
- ▶ Continued strong growth in the primary and secondary catchments
- ▶ Specialty leasing to commence in FY14
- ▶ Construction expected to commence in 2014, subject to approvals and leasing
- ▶ Further stages and complementary uses (office, showroom, apartments) to follow

# APPENDIX





# Sustainable earnings from long term projects

Cedar Woods 2013 Project Pipeline	Location	Project Type	Status	Year Acquired	Project Life								Total Lots	Lots Remaining	Pricing Guide (\$)
					FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19			
<b>WA projects</b>															
Rivergums Baldivis	Southern corridor	Residential	Mature	2001									1300	600	\$170k-\$240k
North Baldivis	Southern corridor	Residential	Planning	2011									800	800	Not yet released
Mariners Cove	Mandurah	Canal	Mature	1993									850	200	\$250k-\$800k
Port Mandurah (Sutton)	Mandurah	Canal development	Planning	1990									TBA	TBA	Not yet released
The Kestrels	Tapping, Wanneroo	Residential	Complete	2003									530	2	\$245k
Piara Central	SE corridor	Residential	Planning	2005									150	150	\$215k-\$270k
Piara Waters	SE corridor	Residential	Planning	2010/12									325	325	\$215k-\$270k
Waterline stage 1	Mandurah	Apartments	Complete	2005									19	1	\$1000k
Waterline stage 2	Mandurah	Apartments	Planning	2005									20	20	Not yet released
The Jetty, Palm Beach	Rockingham	Apartments	Complete	2005									16	3	\$650k-\$1650k
Bushmead	Perth foothills	Residential	Planning	2010									600-900	600-900	Not yet released
Pinjarra	Southern corridor	Residential	Planning	2005									920	920	Not yet released
South Hedland	Pilbara	Residential	Planning	2011									150	150	\$220k-\$270k
Byford	SE corridor	Residential	Zoned	2013									350	350	\$130k-\$210k
Brabham	WE corridor	Residential	Planning	2013									345	345	\$180k-\$250k
<b>WA Joint Venture projects</b>															
Harrisdale Green	SE Corridor	Mixed Use	Mature	N/A									462 lots / units 13 mixed use	310 lots / units 13 mixed use	\$200k-\$250k
Carine	NW Corridor	Mixed Use	Planning	N/A									TBA	TBA	TBA
Mangles Bay	Rockingham	Mixed use	Planning	N/A									TBA	TBA	TBA
Batavia Marina Apartments	Geraldton	Apartments	Commenced	N/A									54	54	\$1m
<b>WA Syndicate project</b>															
(CWP 32.5%)															
Cedar Woods Wellard (Emerald Park)	Southern corridor	Residential	Mature	2006									628	400	\$180k-\$230k
<b>Melbourne projects</b>															
Williams Landing Residential	Western Suburbs	Residential	Mature	1998									2500	1700	\$190k-\$340k
Williams Landing Town Centre	Western Suburbs	Retail, Mixed Use	Planning	1998									N/A	N/A	N/A
Carlingford, Lalor	Northern corridor	Residential	Mature	2006									600	220	\$140k-\$300k
Banbury Village	Footscray	Apartments & Houses	Mature	2005									437	300	\$320-\$725k, av\$ 520k
Camberwell	Eastern suburbs	House & land packages	Construction	2009									78	78	\$800k - \$1.4m
St Albans	Northwest suburbs	House & land packages	Planning	2012									180	180	TBA

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